

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Gram Panchayats - Kaikalurul Gram Panchayat & Mandal, Krishna District – Smt S. Sathavathi, Ex. Sarpanch, Kaikaluru - Revision Petition filed by her before the Government against the proceedings of the District Collector (PW), Krishna District – Stay Granted - Allowed -Orders – Issued.

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PANCHAYAT RAJ AND RURAL DEVELOPMENT (PTS.II) DEPARTMENT

**G.O. Rt No.1544.**

**Dated: 15-10-08**  
**Read the following :**

- 1) From the District Collector (PW), Krishna Roc. No. 72/2005, Pts.5, dt 14.03.07.
- 2) From the District Collector (PW), Krishna Roc. No. 72/2005, Pts.5, dt 29.06.07
- 3) Smt S. Sathavathi, Ex. Sarpanch, Kaikaluru Gram Panchayat & Mandal, Krishna District , R.P., dt 16-08-07.
- 4) Govt. Memo. No. 22223/PTs-II/A1/2007-1, dt. 22-09-07
- 5) From the District Collector (PW), Krishna Lr.Roc. No. 72/2005, Pts.5, dt 3.10.07.
- 6) Govt. Memo No. 22223 /PTs-II/A2/2007-4, dt. 3-01-08.
- 7) From the District Panchayat Officer,Krishna District, Lr. Roc. No. 72/2005, Pts.5, dt 21-01-08.

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**ORDER:**

In the reference 1<sup>st</sup> read above, the District Collector, (PW), Krishna District has issued orders disqualifying Smt S. Sathavathi, Ex. Sarpanch, Kaikaluru to contest as a Sarpanch or Upa Sarpanch for a period of two years under section 249 (1)(iv) & (3) of APPR Act, 1994.

2. In the reference 2<sup>nd</sup> read above, the District Collector, (PW), Krishna District has issued orders for recovery of an amount of Rs. 35,39,000/- for misappropriation of Gram Panchayat funds which were collected from the villagers by creating Village Development Committee from the villagers of Gram Panchayat for providing water connection under Revenue Recovery Act.

3. The District Collector (PW), Krishna District has stated that when she worked as Sarpanch of Kaikaluru Gram Panchayat, the Gram Panchayat has got passed a Panchayat Resolution No. 333, dated 31-12-2002 constituting a village Development Committee consisting of the Sarpanch as Chairman of the Committee in violation of sec.40 of the APPR Act, 1994 and the rules issued in G.O. Ms. No. 289, PR & RD dated 1-08-97. The above Committee has collected an amount of Rs. 10,000/- each from 846 individuals in order to provide them private tap connection and deposited an amount of Rs. 4,000/- for each individual to the Panchayat funds and the remaining amount of Rs. 6,000/- of each individual in favour of Village Development Committee and the total amount comes to Rs. 50,76,000/- has been deposited in a private savings bank account in the joint account of Sarpanch as Chairman and one outsider who is also a member of the above committee. The Gram Panchayat has sanctioned private tap connections to 557 individuals who paid the contribution of Rs. 10,000/- each to the village Development Committee in PR No. 148, dated 11-12-2004 without obtaining the prior permission of the Superintending Engineer(RWS) concerned. The Petitioner as the Chairman of the Village Development, has purchased the land to an extent of Ac, 19.51 cents duly paying an amount of Rs. 46,86,850/- in excess to the local market value fixed for Rs. 15,37,000/- as confirmed by the District Registrar, Krishna Machilipatnam. The land was registered under the gift deed. Hence, the

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District Collector (PW) has issued a notification on 14-03-2007 for disqualification of the petitioner to contest as a Sarpanch or Upa Sarpanch of the Gram Panchayat under sec. 249 (1) (iv) and (3) of the APPR Act 1994 for a period of two years as she caused loss to the Government funds and misappropriated the amount collected by her irregularly by misusing her powers vested under the provisions of the APPR Act as Sarpanch of the Gram Panchayat. A criminal case has been filed against Smt S. Satyavathi, Ex. Sarpanch of Kaikaluru Gram Panchayat in the Kaikaluru Police Station u/s 271-A, of the APPR Act 1994 for her failure to hand over the amount of Rs. 35,39,000/- to her successor beside to recover the said amount under R.R Act.

4. Aggrieved by the above orders, Smt S. Sathavathi, Ex. Sarpanch, Kaikaluru Krishna District has filed a Revision Petition before Government and requested to set aside the orders passed by the District Collector, (PW), Krishna District vide reference 3<sup>rd</sup> read above stating that she never misappropriated any Gram Panchayat Funds and in fact that as per the wishes of the villagers for providing Drinking Water connections she placed the matter before the Gram Panchayat and obtain a resolution to constitute a Village Development Committee consisting of the members of Gram Panchayat, President of MPP, Local MLA, member ZPTC and MPTC including the representative of all local political parties considering of 44 members, that the said committee has started functioning from 1-01-03 and maintain the records. All the amounts collected from the contributors have been properly accounted for and executed the construction of Summer Storage Tank by purchasing the required land from villagers by paying the compensation. She has further contended that for the purpose of valuation, the authorities have taken into consideration the basic value register though the actual sale consideration paid was Rs. 56,60,790/- and the receipts were obtained from the owners of land. The owners of the land also acknowledged the receipt of total sale consideration and the fact was also brought to notice of the enquire officer by the land owners. She has therefore requested to Quash the impugned proceedings of the District Collector.

5 In the reference 4<sup>th</sup> read above, Government while granting stay against District Collector proceedings dated 29-06-07 has requested the District Collector, (PW), Krishna District to furnish his report to Government along with his specific remarks in the matter.

6 The case was heard on 23-10-07. The Petitioner and the District Panchayat Officer, Krishna District have appeared with records. During the hearing the District Panchayat Officer has brought to the notice that a complaint was filed before AP Lokayuktha, which is having a bearing on the revision petition filed by the Petitioner. Finally the case was posted for the hearing on 16.09.08.

7. During the hearing the petitioner has reiterated her contentions and contended that she has not misappropriated any Panchayat funds and therefore requested to drop further action against her.

8 Government have gone through the records brought by the District Panchayat Officer, and also the material papers filed by the Petitioner as well as the arguments adduced during the hearing. It is on record that the Petitioner after obtaining the resolution of Gram Panchayat has taken up the task of construction of Summer Storage Tank in Kaikaluru Village to cater the Drinking Water need s of 30,000 population of the Gram Panchayat by people participation through contribution without giving any financial burden on Gram Panchayat. To have transparency the Village Development Committee was constituted with 44 members by giving a representation to all Political Parties and other non-official

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members. No doubt the action of petitioner is appreciable but the petitioner would have taken permission from the higher authorities before taking up such good cause. It may not be the intention of petitioner to cause loss to the Government exchequer by getting the lands extent of 19.55 Acres required for construction of Summer Storage Tank on the prevailing rates, but got the lands registered as gift deed instead of sale. The petitioner cannot be held solely responsible for under value registration. No doubt there is loss of stamp duty to the Government but all the land owners who have parted with their lands have not only given receipts for the sale consideration received but also given their statements before the enquiry officer. A criminal case was filed against the petitioner in CR No. 58/07 on 18-06-07 and the Hon'ble JFCM Court, Kaikalur accorded permission for investigation. The District Panchayat Officer when enquired about the stage in criminal case has stated that the case is still pending.

9. In all fairness the Government convinced that providing of drinking water to the villagers is one of the primary responsibility of the Gram Panchayat. The petitioner as elected Sarpanch of the village by the people has sincerely carried out her responsibility by placing the matter before the Gram Panchayat's Governing Body and obtained an unanimous resolution to constitute a Village Development Committee solely for the purpose of providing drinking water to the people of the village by constructing a summer storage tank and to provide drinking water connections to the people. The villagers have come forward to contribute Rs. 10,000/- for each connection, out of which Rs. 4,000/- was remitted in to Gram Panchayat account and balance of Rs. 6,000/- remitted to the account of Village Development Committee and the people who have been made their contributions have been provided with drinking water tap connections, without sending any amount of Gram Panchayat funds. The task taken up by the then Sarpanch of Kaikaluru Gram Panchayat and the Village Development Committee is laudable. Hence the appeal is allowed.

10) The District Collector, (PW), Krishna District is hereby requested to take further necessary action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

CHITRA RAMCHANDRAN  
SECRETARY TO GOVERNMENT

To

Smt S. Sathavathi, Ex. Sarpanch, Kaikaluru Gram Panchayat & Mandal,  
Krishna District  
The District Collector, (PW), Krishna District, Machilipatnam .  
The District Panchayat Officer Krishna District, Machilipatnam.

**Copy to:-**

The Commissioner, PR & RE., A.P., Hyderabad.  
The Registrar, Institution of Lokayukta of Andhra Pradesh, Basheerbagh,  
Hyderabad.  
The Sf/Scs.

// FORWARDED BY ORDER //

SECTION OFFICER